

ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2007

	October-07				September-07				Current Fiscal YTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	76,251,262	3.7%	3.8%	2.14%	74,638,689	3.7%	3.8%	0.41%	2.57%	21.75%	13.79%	N/A
Total Structured Growth	76,251,262	3.7%	3.8%	2.14%	74,638,689	3.7%	3.8%	0.41%	2.57%	21.75%	13.79%	11.59%
Russell 1000 Growth				3.40%				4.21%	7.75%	19.04%	8.70%	9.28%
<i>Structured Value</i>												
LSV	84,252,407	4.1%	4.2%	-0.15%	84,352,453	4.2%	4.2%	-1.05%	-1.20%	23.29%	19.11%	16.46%
Russell 1000 Value				0.01%				-0.24%	-0.23%	21.87%	15.93%	13.31%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	80,217,823	3.9%	3.9%	2.38%	78,334,599	3.9%	3.9%	0.07%	2.45%	20.43%	13.31%	11.77%
Russell 1000				1.74%				1.98%	3.76%	20.43%	12.34%	11.33%
<i>Enhanced S&P 500 Index</i>												
Northern Trust	71,965,480	3.5%	3.6%	0.78%	71,396,557	3.5%	3.6%	0.34%	1.12%	19.26%	11.40%	10.53%
Westridge	95,146,836	4.6%	3.6%	1.67%	93,143,968	4.6%	3.6%	2.18%	3.89%	21.05%	12.00%	11.00%
Wells Capital	63,315,527	3.1%	2.8%	0.49%	62,909,477	3.1%	2.8%	4.26%	4.78%	30.71%	N/A	N/A
Franklin	53,567,265	2.6%	2.8%	1.29%	52,852,550	2.6%	2.8%	-0.71%	0.57%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	283,995,107	11.1%	12.9%	1.11%	280,302,552	11.3%	12.9%	1.60%	2.73%	21.56%	11.94%	11.24%
S&P 500				1.59%				2.03%	3.65%	20.59%	11.68%	10.71%
<i>Absolute Return Strategy</i>												
Epoch	15,211,448	0.7%	1.3%	2.45%	14,832,819	0.7%	1.3%	0.06%	2.51%	N/A	N/A	N/A
S&P 500				1.59%				2.03%	3.65%			
<i>S&P 500 Index</i>												
State Street	36,497,411	1.8%	2.0%	-0.09%	36,508,870	1.8%	2.0%	-0.79%	-0.89%	21.86%	12.41%	11.15%
S&P 500				1.59%				2.03%	3.65%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	576,425,458	27.9%	28.0%	1.19%	568,969,984	28.1%	28.0%	0.70%	1.90%	21.66%	13.61%	12.15%
S&P 500				1.59%				2.03%	3.65%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	136,883,994	6.6%	7.2%	2.41%	133,640,864	6.6%	7.2%	-4.25%	-1.94%	17.13%	13.31%	14.32%
Russell 2000 + 200bp				3.04%				-2.60%	0.36%	18.76%	15.72%	16.16%
Callan	60,585,332	2.9%	2.8%	2.74%	58,988,651	2.9%	2.8%	-1.14%	1.57%	21.00%	N/A	N/A
Russell 2000				2.87%				-3.09%	-0.31%	16.44%		
TOTAL SMALL CAP DOMESTIC EQUITY	197,469,326	9.6%	10.0%	2.51%	192,629,515	9.5%	10.0%	-3.32%	-0.89%	17.89%	13.50%	14.44%
Russell 2000				2.87%				-3.09%	-0.31%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	38,170,995	1.8%	1.8%	3.31%	36,925,062	1.8%	1.8%	1.42%	4.78%	27.82%	20.73%	15.09%
MSCI EAFE (1)				3.93%				2.18%	6.19%	27.00%	20.77%	14.70%
<i>Large Cap - Active</i>												
Capital Guardian	115,783,987	5.6%	5.4%	4.02%	111,099,628	5.5%	5.4%	-0.21%	3.81%	26.04%	21.52%	14.83%
LSV	110,649,023	5.4%	5.4%	3.06%	107,359,995	5.3%	5.4%	-3.20%	-0.24%	29.94%	N/A	N/A
Bank of Ireland	36,872,410	1.8%	1.8%	4.29%	35,356,105	1.7%	1.8%	-4.43%	-0.32%	25.29%	19.70%	13.72%
Total Large Cap - Active	263,305,420	12.7%	12.6%	3.65%	253,815,729	12.6%	12.6%	-2.09%	1.49%	27.58%	22.64%	15.45%
MSCI EAFE - 50% Hedged				3.25%				0.11%	3.36%	26.94%	22.55%	15.71%
<i>Small Cap - Active</i>												
Lazard	36,098,574	1.7%	1.8%	5.34%	34,264,192	1.7%	1.8%	-3.54%	1.61%	24.18%	22.99%	21.28%
Wellington	38,435,036	1.9%	1.8%	5.03%	36,560,668	1.8%	1.8%	-0.96%	4.01%	26.62%	20.49%	21.40%
Total Small Cap - Active	74,533,611	3.6%	3.6%	5.18%	70,824,860	3.5%	3.6%	-2.23%	2.84%	25.39%	21.75%	21.34%
Citigroup Broad Market Index < \$2BN				4.70%				-0.66%	4.01%	28.60%	26.33%	25.39%
TOTAL INTERNATIONAL EQUITY	376,010,025	18.2%	18.0%	3.92%	361,565,651	17.9%	18.0%	-1.77%	2.07%	27.21%	22.14%	16.66%
MSCI EAFE - 50% Hedged				3.25%				0.11%	3.36%	26.94%	22.55%	15.71%
EMERGING MARKETS EQUITY												
<i>Core</i>												
JP Morgan	22,698,328	1.1%	0.9%	9.71%	22,064,141	1.1%	0.9%	11.70%	22.54%	46.07%	N/A	N/A
PanAgora	22,912,344	1.1%	0.9%	10.97%	22,057,329	1.1%	0.9%	15.67%	28.37%	46.34%	N/A	N/A
WestLB	23,058,397	1.1%	0.9%	12.69%	21,940,265	1.1%	0.9%	14.72%	29.28%	42.11%	N/A	N/A
UBS	40,280,122	1.9%	1.4%	13.11%	38,528,284	1.9%	1.5%	14.81%	29.88%	42.04%	N/A	N/A
Total Core	108,949,191	5.3%	4.0%	11.85%	104,590,019	5.2%	4.0%	14.30%	27.85%	43.90%	37.74%	29.07%
MSCI Emerging Markets				11.16%				14.52%	27.30%	45.45%	38.67%	21.67%
<i>Small Cap</i>												
DFA	22,776,187	1.1%	1.0%	7.44%	23,173,081	1.1%	1.0%	7.20%	15.17%	68.14%	N/A	N/A
MSCI Emerging Markets				11.16%				14.52%	27.30%	45.45%		
<i>Private Equity</i>												
Capital International	1,432,872	0.1%	0.1%	0.00%	875,424	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets				11.16%				14.52%				
TOTAL EMERGING MARKETS EQUITY	133,158,251	6.4%	5.0%	10.98%	128,638,524	6.4%	5.0%	12.73%	25.10%	48.23%	38.70%	29.61%
MSCI Emerging Markets				11.16%				14.52%	27.30%	45.45%	38.67%	30.66%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	23,095,026	1.1%	1.1%	0.55%	26,959,464	1.3%	1.3%	2.08%	2.64%	7.00%	4.29%	5.59%
Lehman Aggregate				0.90%				2.84%	3.77%	6.12%	3.98%	4.48%
<i>Index</i>												
Bank of ND	48,632,876	2.4%	3.0%	0.85%	48,493,796	2.4%	3.0%	3.15%	4.03%	5.69%	3.78%	4.49%
Total Index	48,632,876	2.4%	3.0%	0.85%	48,493,796	2.4%	3.0%	3.15%	4.03%	5.69%	3.92%	4.50%
Lehman Gov/Credit				0.91%				3.01%	3.94%	6.00%	3.84%	4.69%
<i>Convertibles</i>												
Calamos (2)	24,468,945	1.2%	1.1%	2.95%	28,668,314	1.4%	1.3%	3.50%	6.55%	N/A	N/A	N/A
Total Convertibles	24,468,945	1.2%	1.1%	2.95%	28,668,314	1.4%	1.3%	3.50%	6.55%	12.55%	5.57%	3.31%
Merrill Lynch All Convertibles (3)				1.92%				1.01%	2.95%	15.38%	8.30%	10.89%
<i>BBB Average Quality</i>												
Wells Capital	23,021,839	1.1%	1.1%	1.14%	26,752,683	1.3%	1.3%	1.91%	3.08%	9.12%	5.96%	6.71%
Lehman BBB				1.46%				1.67%	3.15%	7.54%	4.47%	6.43%

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	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR		
Private Debt												
Prudential	25,848,489	1.3%	1.1%	0.83%	25,779,554	1.3%	1.3%	1.88%	2.72%	7.16%	N/A	N/A
<i>Lehman Aggregate</i>				0.90%				2.84%	3.77%	6.12%	N/A	N/A
Timberland												
TIR - Teredo (4)	23,881,351	1.2%	1.2%	-0.06%	20,901,445	1.0%	1.0%	-0.17%	-0.23%	26.95%	12.73%	12.23%
TIR - Springbank	43,717,094	2.1%	2.1%	-0.02%	44,244,400	2.2%	2.2%	-0.07%	-0.10%	26.90%	N/A	N/A
Total Timberland	67,598,446	3.3%	3.3%	-0.03%	65,145,845	3.2%	3.2%	-0.11%	-0.14%	27.33%	26.21%	20.09%
<i>NCREIF Timberland Index</i>				0.76%				2.31%	3.09%	11.89%	15.17%	11.37%
Infrastructure												
JP Morgan	30,811,433	1.5%	1.5%	-0.07%	10,949,920	0.5%	0.5%	-0.41%	-0.48%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	243,477,053	11.8%	12.0%	0.82%	232,749,575	11.5%	12.0%	1.69%	2.52%	12.52%	11.43%	10.17%
<i>Lehman Aggregate</i>				0.90%				2.84%	3.77%	6.12%	3.98%	4.48%
HIGH YIELD BONDS												
Core												
Loomis Sayles	66,123,421	3.2%	3.3%	0.92%	65,442,472	3.2%	3.3%	0.37%	1.29%	13.37%	11.25%	N/A
Sutter/Wells Capital	62,669,031	3.0%	3.3%	1.31%	61,095,808	3.0%	3.3%	-3.19%	-1.92%	9.82%	8.02%	N/A
Total Core	128,792,451	6.2%	6.5%	1.11%	126,538,280	6.3%	6.6%	-1.39%	-0.29%	11.59%	9.63%	5.67%
<i>LB High Yield 2% Issuer Constrained Index</i>				0.67%				0.40%	1.08%	11.22%	8.70%	N/A
Mezzanine Debt												
Goldman Sachs	2,929,372	0.1%	0.1%	-0.14%	2,929,394	0.1%	0.1%	-1.07%	-1.21%	7.39%	N/A	N/A
TCW	5,530,225	0.3%	0.3%	0.00%	4,493,732	0.2%	0.2%	-2.96%	-2.96%	N/A	N/A	N/A
Total Mezzanine Debt	8,459,597	0.4%	0.4%	-0.06%	7,423,126	0.4%	0.4%	-2.33%	-2.38%	7.39%	N/A	N/A
<i>LB High Yield 2% Issuer Constrained Index</i>				0.67%				0.40%	11.22%	11.22%		
Distressed Mortgages												
PIMCO	1,715,108	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Declaration Management	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Distressed Mortgages	1,715,108	0.1%	0.1%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<i>LB High Yield 2% Issuer Constrained Index</i>				0.67%								
TOTAL HIGH YIELD BONDS	138,967,157	6.7%	7.0%	1.05%	133,961,406	6.6%	7.0%	-1.35%	-0.32%	11.62%	9.64%	11.24%
<i>LB High Yield 2% Issuer Constrained Index</i>				0.67%				0.40%	1.08%	11.22%	8.77%	11.75%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	45,425,644	2.2%	2.5%	1.48%	44,752,019	2.2%	2.5%	7.48%	9.08%	0.21%	2.69%	6.66%
<i>Citigroup Non-US Gov't Bond Index (5)</i>				1.83%				8.10%	10.08%	2.22%	3.23%	6.89%
International Core												
Brandywine	47,776,534	2.3%	2.5%	3.00%	46,406,302	2.3%	2.5%	5.77%	8.94%	6.63%	7.38%	N/A
<i>Lehman Global Aggregate (ex-US)</i>				2.07%				7.35%	9.57%	3.78%	5.22%	N/A
TOTAL INTERNATIONAL FIXED INCOME	93,202,178	4.5%	5.0%	2.25%	91,158,322	4.5%	5.0%	6.60%	9.01%	3.41%	5.03%	8.23%
<i>Citigroup Non-US Gov't Bond Index (5)</i>				1.83%				8.10%	10.08%	2.22%	3.27%	6.92%
REAL ESTATE												
INVESCO	94,994,920			0.00%	95,950,734			3.09%	3.09%	14.44%	20.09%	14.86%
J.P. Morgan Strategic & Special Funds	98,758,723			0.60%	99,369,333			4.18%	4.80%	19.72%	20.09%	15.71%
J.P. Morgan Alternative Property Fund	22,883,675			0.77%	22,709,392			0.00%	0.77%	6.70%	N/A	N/A
TOTAL REAL ESTATE	216,637,319	10.5%	9.0%	0.35%	218,029,459	10.8%	9.0%	3.25%	3.62%	15.47%	19.41%	14.88%
<i>NCREIF TOTAL INDEX</i>				1.17%				3.56%	4.77%	17.24%	17.83%	14.30%
ALTERNATIVE INVESTMENTS												
Brinson IVCF III	464,789			0.00%	464,589			2.04%	2.04%	110.68%	45.47%	24.48%
Coral Partners V	3,337,771			0.00%	3,394,750			-1.25%	-1.25%	-1.78%	-4.71%	-14.30%
Coral Partners V - Supplemental	459,590			0.00%	485,430			-0.33%	-0.33%	8.49%	3.75%	0.86%
Coral Momentum Fund (Formerly Fund VI)	9,209,801			0.00%	9,605,189			43.80%	43.80%	-16.26%	N/A	N/A
Brinson 1998 Partnership Fund	840,657			0.00%	840,995			6.31%	6.31%	31.02%	22.24%	11.25%
Brinson 1999 Partnership Fund	1,701,092			0.00%	2,183,200			8.83%	8.83%	19.95%	14.43%	7.53%
Brinson 2000 Partnership Fund	6,196,904			0.00%	6,199,397			12.46%	12.46%	13.52%	18.72%	9.86%
Brinson 2001 Partnership Fund	4,923,516			0.00%	4,925,497			7.25%	7.25%	15.81%	13.02%	7.67%
Brinson 2002 Partnership Fund	2,781,970			0.00%	2,783,089			7.77%	7.77%	11.10%	12.11%	11.95%
Brinson 2003 Partnership Fund	870,876			0.00%	871,226			-2.14%	-2.14%	34.38%	19.70%	N/A
Total Brinson Partnership Funds	17,315,015			0.00%	17,803,404			8.74%	8.74%	16.34%	16.34%	10.08%
Brinson 1999 Non-US Partnership Fund	833,105			0.00%	833,440			-15.34%	-15.34%	111.26%	57.67%	39.95%
Brinson 2000 Non-US Partnership Fund	2,193,709			0.00%	2,194,591			9.22%	9.22%	55.10%	34.26%	25.05%
Brinson 2001 Non-US Partnership Fund	1,449,258			0.00%	1,725,121			8.40%	8.40%	7.81%	14.42%	11.71%
Brinson 2002 Non-US Partnership Fund	3,208,719			0.00%	3,456,193			9.52%	9.52%	88.98%	43.24%	29.72%
Brinson 2003 Non-US Partnership Fund	2,765,492			0.00%	2,766,805			5.76%	5.76%	76.59%	33.38%	N/A
Brinson 2004 Non-US Partnership Fund	1,159,078			0.00%	1,159,545			7.65%	7.65%	23.98%	15.75%	N/A
Total Brinson Non-US Partnership Fund	11,609,361			0.00%	12,135,494			6.06%	6.06%	62.33%	35.68%	25.84%
Brinson BVCF IV	9,268,895			0.00%	8,877,966			9.99%	9.99%	-3.23%	10.47%	6.87%
Adams Street Direct Co-investment Fund	5,010,890			0.00%	4,748,273			-0.11%	-0.11%	N/A	N/A	N/A
Matlin Patterson Global Opportunities	2,233,278			0.00%	2,234,176			-60.15%	-60.15%	10.95%	25.72%	N/A
Matlin Patterson Global Opportunities II	17,480,425			0.00%	15,978,476			0.61%	0.61%	37.09%	N/A	N/A
Matlin Patterson Global Opportunities III	1,880,836			0.00%	1,881,593			-15.88%	-15.88%	N/A	N/A	N/A
InvestAmerica	3,702,811			0.00%	3,704,300			18.49%	18.49%	13.96%	-2.58%	-5.68%
Hearthstone MSII	151,323			0.00%	1			0.00%	0.00%	-95.85%	-100.00%	-100.00%
Hearthstone MSIII	1,783,080			0.00%	1,763,355			18.89%	18.89%	208.65%	79.05%	N/A
Corsair III	4,732,524			0.00%	1,828,381			14.87%	14.87%	N/A	N/A	N/A
Quantum Resources	1,819,704			0.00%	1,820,436			-8.56%	-8.56%	N/A	N/A	N/A
Quantum Energy Partners	925,262			0.00%	925,634			-17.70%	-17.70%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	91,385,353	4.4%	5.0%	0.00%	87,651,446	4.3%	5.0%	3.37%	3.37%	17.09%	15.13%	7.33%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	953,355	0.0%	1.0%	0.42%	6,291,510	0.3%	1.0%	0.68%	1.10%	5.25%	3.91%	3.00%
<i>90 Day T-Bill</i>				0.30%				1.34%	1.64%	5.21%	3.78%	2.76%
TOTAL FUND	2,067,685,473	100.0%	100.0%	2.28%	2,021,645,391	100.0%	100.0%	1.16%	3.47%	20.05%	16.03%	13.77%
POLICY TARGET BENCHMARK				2.23%				2.32%	4.60%	18.41%	14.38%	12.45%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

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Allocation		Month		Allocation		Quarter					
Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	Net	Net

- (2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.
- (3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.
- (4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.
- (5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
- (6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.